



ANNUAL APPROPRIATION ORDINANCE YEAR 2021 AMENDMENT WITHIN FUND NO. 925 FOR VARIOUS DEPARTMENTS AND GRANTS

O2021-2860

JUNE 25, 2021

Sponsor(s):

La Spata (1)
King (4)
Sawyer (6)
Maldonado (26)
Rodriguez (22)
Hadden (49)
Sigcho-Lopez (25)

Vasquez, Jr. (40)
Martin (47)
Rodriguez Sanchez (33)
Ramirez-Rosa (35)
Taylor (20)
Reboyras (30)

COMMITTEE(S) ASSIGNMENT:

COMMITTEE ON BUDGET AND
GOVERNMENT OPERATIONS



ORDINANCE O2021-2860 SUMMARY

- The goal of ordinance O2021-2860 is to appropriate the funds that will be provided by the American Rescue Plan that was not previously appropriated. The American Rescue Plan will award the City of Chicago approximately \$1.9B in funds to directly address the effects the pandemic, including, but not limited to support for public health expenditures, rent assistance, business revenue relief, vaccination efforts, and various other issues that financially burdened the City.
- The City has experienced a variety of issues as a result of the pandemic. While some of these issues were not unique to a large city, the pandemic exacerbated mental health issues, lost revenue for the City and its businesses, homelessness, and lost income for many essential workers. It also highlighted existing inequities related to access to healthcare as well as rights and protections for essential workers.
- While the City has competing needs in a range of areas, it is important to prioritize its needs in a way that will guide the use of ARP funds. The goal is to put Chicago as a whole in a more fiscally sound position, as well as position the City to not only sustain its operations but also impact its residents that were most affected by the pandemic.



ORDINANCE 2021-2860 FISCAL IMPACT

Dept/Grant Name	Amount	% of total Budget
Office of the Mayor		
Internet Accessibility	50,000,000.00	2.52%
Language Accessibility	1,000,000.00	0.05%
Office of New Americans	10,000,000.00	0.50%
Violence Prevention & Street Interruption Programs	60,000,000.00	3.03%
Chief Equity Officer	500,000.00	0.03%
Office of the Inspector General		
Police Complaint Database	2,000,000.00	0.10%





ORDINANCE 2021-2860 FISCAL IMPACT

Dept/Grant Name	Amount	% of total Budget
Department of Housing		
Affordable Housing Building		
Decarbonization Assistance Funds	75,000,000.00	3.78%
Community Engagement & Canvasing	1,125,000.00	0.06%
Eviction Counseling	10,000,000.00	0.50%
Housing Stabilization Funds	50,000,000.00	2.52%
Long Term SRO Preservation Pilot	3,000,000.00	0.15%
Preservation of Existing Affordable Rental Housing	45,000,000.00	2.27%
Woodlawn Preservation Ordinance	12,500,000.00	0.63%
Permanent Housing for the Homeless	85,000,000.00	4.29%
Conversion of motels to affordable/supportive housing	40,000,000.00	2.02%
Department of Cultural Affairs & Special Events		
General Programming & Covid-19 Assistance	20,000,000.00	1.01%





ORDINANCE 2021-2860 FISCAL IMPACT

Dept/Grant Name	Amount	% of total Budget
Department of Finance		
Guaranteed Basic Income Pilot	50,000,000.00	2.52%
Intergovernmental grant to Park District to replace lost revenue	35,000,000.00	1.77%
Reparations	50,000,000.00	2.52%
Department of Public Health		
Establishment of Mental Health Clinics	100,000,000.00	5.05%
Establishment of STI Clinics	25,000,000.00	1.26%
Mental Health Assistance	10,000,000.00	0.50%
Mental Health Services Emergency Response	100,000,000.00	5.05%
Targeted Vaccination Campaign	50,000,000.00	2.52%
Grant to Cook County School-Based Health Clinics	8,000,000.00	0.40%





ORDINANCE 2021-2860 FISCAL IMPACT

Dept/Grant Name	Amount	% of total Budget
Department of Family & Support Services		
Child Care Additional Eligibility	331,020,694.00	16.70%
Domestic Violence Prevention	57,000,000.00	2.88%
Legal Support for Homeless Stimulus Check Filings	1,000,000.00	0.05%
Stimulus Checks for Federally-Excluded Residents	90,000,000.00	4.54%
Youth Employment Assistance	30,000,000.00	1.51%
Department of Planning & Development		
Service Restoration Covenants at Mercy Hospital	3,600,000.00	0.18%
Department of Business Affairs & Consumer Protection		
Covid-19 Mitigation Compliance	25,000,000.00	1.26%
Small Business Assistance	40,000,000.00	2.02%
Hotel/Motel Assistance	40,000,000.00	2.02%





ORDINANCE 2021-2860 FISCAL IMPACT

Dept/Grant Name	Amount	% of total Budget
Department of Transportation		
Electric Truck Charging Stations	5,000,000.00	0.25%
Electrification Subsidy for Small Truck Operators	10,000,000.00	0.50%
EV Charging Stations	50,000,000.00	2.52%
Department of Water Management		
Lead Service Line Replacement Efforts	50,000,000.00	2.52%
Water Bill Debt Relief	266,045,694.00	13.42%
Department of Assets, Information and Services		
Expansion of Chicago Wifi program	15,000,000.00	0.76%
Chicago Public Library		
Expanding of Social Worker in Library program	1,500,000.00	0.08%
Committee on Health & Human Realtions of City Council		
Studying reparation	800,000.00	0.04%





ORDINANCE 2021-2860 COST DETAILS/HIGHLIGHTS

Office of the Mayor \$ 116,500,000

The main components of this includes internet accessibility and violence prevention. The mayor's office would be appropriated 6.13% of the total budget.

Department of Housing \$ 321,625,000

This includes affordable housing and housing stabilization funds, as well as permanent housing for the homeless. The Department of Housing would be appropriated 16.23% of the total ARP budget.

Department of Public Health \$ 293,000,000

Includes \$200M for the establishment of mental health clinics and emergency responses to mental health. Also includes \$50M for a targeted vaccination campaign. The Department of Public Health comprises 14.78% of the total budget.



Chicago City Council
Office of Financial Analysis

ORDINANCE 2021-2860 COST DETAILS/HIGHLIGHTS

Department of Family & Support Services \$ 509,020,604

This includes \$331M (16.70% of total ARP budget) for child care additional eligibility. This also includes \$57M for domestic violence prevention and \$90M for stimulus checks for federally excluded residents. The Department of Family & Support services constitutes 25.68% of the total ARP budget.

Department of Water Management \$226,045,694

The entire budget is comprised of water bill debt relief and lead service line replacement efforts. These two items make up about 15% of the entire ARP budget.

ORDINANCE 2021-2860 FISCAL IMPACT- COMMENTS/RECOMMENDATIONS

- The original ordinance has some areas that do not tie out to the numbers cited within the document. For example, O2021-2860 has appropriated \$116,500,000 to the Office of the Mayor but the individual initiatives total to \$121,500,000.
- Other variances: O2021-2860 has \$137,500,000 appropriated to the Department of Finance but the individual initiatives total to only \$135,000,000.
- O2021-2860 has \$226,045,694 appropriated to the Department of Water Management but the individual initiatives total to \$316,045,694.
- Certain programs listed are not clearly defined, and without the proper budget, documentation, and justification, it is difficult to analyze the program's efficacy and fiscal impact.

ORDINANCE 2021-2860 FISCAL IMPACT- COMMENTS/RECOMMENDATIONS

- While there are many competing needs of a large city such as Chicago, in order for these funds to be the most effective in stabilizing the City's economy, assisting its residents, and mitigating the devastating effects of Covid-19, there must be a comprehensive, detailed plan to spend the ARP funds. This is an unprecedented amount of federal aid that Chicago will probably not see again for years.
- While many small amounts have been spread across many areas and programs, the City should come up with a targeted plan that will address major areas and not only just fund one-off programs, but there should be comprehensive plans to sustain programs not only short-term, but years to come.
- One-off initiatives should include a thorough budget, including not only operations, but staffing, and the cost-benefit and direct impact to residents should also be factored. It's not enough just to fund a particular initiative, (i.e. \$500 in relief for 5000 low-income families impacted by Covid-19), but we should examine the true impact of each initiative on its target.